



## **Frequently Asked Questions about Healthcare Reform: Especially for HIPUtah**

Following are answers to common questions from regarding healthcare reform. This information represents the “basics” of healthcare reform and its specific impact on HIPUtah Enrollees. Due to the nature of the law’s implementation process, some information may change or become clarified over time.

We will update and add to these FAQs as more information becomes available. Please continue to monitor all HIPUtah communication channels for these updates.

### **HIPUtah and the Patient Protection and Affordable Care Act (ACA)**

#### **Q1: I’ve heard that my HIPUtah coverage will be expiring. Is this true?**

A: HIPUtah coverage will expire at midnight on December 31, 2013, unless the federal Health Insurance Marketplace, (Marketplace), also known as the “Exchange”, is not offering coverage with an effective date of January 1, 2014.

Currently, the Marketplace has started accepting applications on October 1, 2013 for private, guaranteed coverage effective January 1, 2014.

#### **Q2: Why is HIPUtah going away?**

A: The Patient Protection and Affordable Care Act, frequently referred to as “Obamacare,” but will be addressed as the ACA, assures guaranteed coverage for all health insurance applicants. In other words, health insurance companies may no longer deny coverage because of an applicant’s preexisting condition. As such, HIPUtah’s mission to provide a safety net for persons who couldn’t obtain health coverage through traditional channels is now being addressed through the ACA.

#### **Q3: Is it my responsibility to advise my pharmacies and doctors that HIPUtah will not be paying them beyond Jan. 2014? I recently received a billing from one of the hospitals for service in 2012. Will HIPUtah process claims that are not filed in a timely manner?**

A: HIPUtah will reimburse providers for all allowable services provided prior to January 1, 2014, as long as claims are submitted to HIPUtah within 12 months after the last day of HIPUtah coverage (December 31, 2013). HIPUtah’s Administrator, SelectHealth, will communicate with providers regarding these timely claims filing requirements. HIPUtah Enrollees do not need to inform their providers that HIPUtah is closing; however, Enrollees should consider talking with their provider(s) about a change in coverage, and verify with their new insurance plan that their existing providers are included in the insurer’s network. If providers fail to file claims with



HIPUtah within the 12 month deadline (December 31, 2014), they CANNOT bill HIPUtah Enrollees for the outstanding balance.

**Q4: Are you sure that the ACA is actually going to happen?**

A: Efforts to overturn the law in both the Supreme Court and the U.S. Congress have all failed. At this time, ACA is federal law, and there is no reason to believe that it will not take effect as planned. Because of the complex infrastructure inherent in the Marketplace, there is always the chance that delays could occur. HIPUtah monitors progress on a daily basis, and will let you know if any delays are imminent, and if so, how they specifically impact you.

**Q5: I was under the impression that the Utah State Government opted for Utah not to participate in the Marketplace. If this is true, then will HIPUtah remain as is?**

A: The federal government is operating the Individual Marketplace in Utah. You may hear the Individual Marketplace referred to as a Federally Facilitated Marketplace (FFM) or an Exchange. What this means is that the federal government will be running the Marketplace in Utah just as they will be doing for several other states. The Marketplace has started taking applications on October 1, 2013. HIPUtah coverage is still scheduled to expire on December 31, 2013.

**Q6: What's the difference between HIPUtah (State) and Federal-HIPUtah (Federal), and will all Enrollees take the same steps to secure new coverage?**

A: As one of the first provisions of the Affordable Care Act, the federal government created high-risk pools similar to HIPUtah in every state. Since HIPUtah was already running a high-risk insurance pool in Utah, we agreed to also run the new federal high-risk pool, called the Preexisting Conditions Insurance Plan (PCIP). Utah ran this program, under the name Federal-HIPUtah, until June 30, 2013 and at that time turned it back over to the federal government. Utah's PCIP enrollees as of July 1, 2013 will also have to transition into the Marketplace January 1, 2014.

When the state of Utah operated the Federal-HIPUtah Plan it was funded entirely by Enrollee premiums and the federal government. At the end of June we provided coverage to over 1,200 Enrollees. The federal government closed all PCIP programs to new enrollment effective March 2, 2013.

All HIPUtah Enrollees (state), and PCIP plan Enrollees (federal), will take the same steps to secure new insurance.



## **The Health Insurance Marketplace (Exchange) and Obtaining New Coverage**

### **Q1: Do the terms “Marketplace” and “Exchange” mean the same thing? If so, why are two different terms used?**

A: These two terms do refer to the same thing. The federal government has recently adopted the term “Marketplace” as a replacement word for “Exchange” to better reflect the “shopping” experience it provides.

### **Q2: Is there a deadline date for me to get new coverage?**

A: In order for you to maintain continuous coverage with an effective date of January 1, 2014, you must apply for your new coverage and complete your enrollment process no later than **December 15, 2013. If you do not complete the enrollment process by December 15, 2013 you will have a gap in coverage.**

The Marketplace open enrollment period runs until March 31, 2014. Depending on when applications are received determines the effective date of coverage. After March 31, 2014, you cannot apply for new health insurance coverage until October 15, 2014, with some limited exceptions.

### **Q3: Where should I go for new health insurance coverage?**

A: You will be able to purchase health insurance through the new Marketplace or outside of the Marketplace from any insurance carrier selling health insurance in Utah.

Both options will offer a variety of plan types from participating insurance companies. The Marketplace will offer you the opportunity to shop and compare insurance plans available in your area, and choose the premium and cost-sharing (deductible and co-insurance) combination that works best for you. You can also compare plans on your own outside of the Marketplace.

There will be two ways to access the Marketplace both in English and Spanish: by phoning their call center at 1-(800) 318-2596 or TTY 1-(855) 889-4325, or online at [www.healthcare.gov](http://www.healthcare.gov).

Navigators and licensed Utah insurance producers (agents/brokers) can assist you with purchasing coverage both inside and outside of the Marketplace. The Marketplace has begun taking applications on October 1, 2013.

### **Q4: Can I also buy insurance directly from an insurance company?**

A: If you are not satisfied with the plans or provider networks offered through the Marketplace in your area, buying directly from an insurer is an option for you.

Be advised that Premium Tax Credits and Cost-Sharing Reduction subsidies are only available to customers shopping through the Marketplace. No subsidies can be offered directly through an insurer.



**Q5: Should I use an agent to help me buy my new insurance?**

A: Agents, producers or brokers are trained to assist consumers with purchasing health insurance both inside and outside the new Marketplace. They can be of great value to HIPUtah Enrollees when it comes to understanding the options available to you. Most Insurance agents around Utah are informed on matters specific to HIPUtah.

If an agent helped you with your application for HIPUtah and you would like to have that person help you with your Marketplace options please contact them immediately. We have included your agent's name on HIPUtah's 2<sup>nd</sup> notice. You may also contact HIPUtah's Administrator, SelectHealth, to get your agent's name. If you do not have an insurance agent and you would like one, you can go to the Utah Department of Insurance web-site:

<http://utah.gov/agent-search/search.html#> to find an agent near you.

The Marketplace also employs "Navigators" – impartial and non-commissioned assistants to help consumers navigate the Marketplace. A list of licensed Navigators in Utah can be accessed here

<http://selecthealth.org/Forms%20and%20Documents/HIPUtah/Navigator%20Contact%20Information%202010-2-13.pdf>, with the names and contact information of the agencies offering enrollment assistance.

Additionally, the Marketplace will operate a toll-free call center to assist consumers. The Marketplace Customer Service phone number is 1-800-318-2596.

**Q6: How realistic is it to expect that such a large number of people seeking coverage will receive sufficient and factual information for decision-making in a 2-1/2 month timeframe?**

A: Our goal at HIPUtah is to provide you with good information regarding the Marketplace opening on October 1, 2013. This will help HIPUtah Enrollees to prepare for shopping for new coverage.

Additional resources are also available, including [www.healthcare.gov](http://www.healthcare.gov), the Utah Insurance Department, statewide Navigators, producers (agents and brokers) and Certified Application Counselors. These individuals will also be conducting outreach in the months to come.

**Q7: Answers to questions regarding what Enrollees need to do to replace HIPUtah by January 2014 are different depending on whom I ask. How do I get answers that are true and binding?**

A: We recognize that there's a lot of information out there, and some of it is conflicting. HIPUtah is doing its best to compile the most accurate and timely information directly from the federal government, the Utah Department of Health and the Utah Department of Insurance

**Q8: What can/should I do between now and October 1, 2013?**



A: The most important thing to do is to stay informed. HIPUtah will be reaching out to all Enrollees in a variety of ways. Check for information on the SelectHealth HIPUtah website - <http://selectthehealth.org/plans/government/Pages/HIPUtah.aspx>, and the Utah Insurance website – [www.insurance.utah.gov](http://www.insurance.utah.gov), HIPUtah tab. We encourage you to open all communications from HIPUtah immediately, as some information may be time sensitive.



## **Plans, Costs and Subsidies**

### **Q1: What health insurance companies are participating in the Marketplace?**

A: The Utah Insurance Department provided information that the following health insurance companies will be participating in the Individual Federally Facilitated Marketplace:

#### **Individual Federally Facilitated Marketplace**

Six insurers have filed medical plans to offer on the Individual Federally Facilitated Marketplace;

- Altius Health Plans, Inc.
- Arches Mutual Insurance Company
- BridgeSpan Health Company
- Humana Medical Plan of Utah, Inc.
- Molina Healthcare of Utah Inc.
- SelectHealth Inc.

These six insurers have submitted, and the Insurance Department has recommended to U.S. Department of Health and Human Services (HHS), 99 medical plans.

### **Q2: How much will my health insurance cost in 2014?**

A: Information on premium rates can be viewed by going to the following link at the Utah Insurance Department website:

[https://insurance.utah.gov/health/Health%20Reform/ACA\\_Rate\\_Individual\\_20130927\\_OnExchange.pdf](https://insurance.utah.gov/health/Health%20Reform/ACA_Rate_Individual_20130927_OnExchange.pdf)

There are three things we know about costs:

1. There will be a range of cost options available in most areas.
2. Depending on your income, you may qualify for a “Premium Tax Credit,” or subsidy, to help you pay for your premiums. Persons whose household income is at or below 400% of the Federal Poverty Level (“FPL”) may qualify for subsidies. The lower your income, the higher your subsidy.
3. Persons whose household income is at or below 250% of FPL may qualify for additional assistance in the form of a “cost-sharing reduction.” This means that out-of-pocket costs (deductibles and co-pays) can be lowered for qualifying individuals.

Premium Tax Credits and Cost-Sharing Reductions are *only* available when purchasing coverage through the Marketplace. If you purchase coverage outside of the exchange from a private insurance carrier, you will not receive tax credits, even if your household income is below 400% of the Federal Poverty Level.

### **Q3: Can a person qualify for *both* the Premium Tax Credit and the Cost-Sharing Reduction subsidy?**



A: Yes, if the appropriate income levels apply.

**Q4: To be at or below 400% of the Federal Poverty Level, what must my income be?**

A: Currently, 400% of FPL is about \$46,000 a year for an individual. For a family of four, 400% of FPL is about \$94,200 a year. Your household income must be below these levels to qualify for the Premium Tax Credit.

A detailed chart of the 2013 Federal Poverty Level guidelines can be found at <http://aspe.hhs.gov/poverty/13poverty.cfm>.

**Q5: I am currently single, but will be married soon. Is eligibility based on individual or household income?**

A: The income calculation in the Marketplace will be based on household income. Your household income must be within between 100% and 400% of the FPL for your family size.

More information on the premium tax credits can be found here: <https://www.healthcare.gov/how-can-i-save-money-on-marketplace-coverage/>

**Q6: Currently I, my wife, and 2 adult children (19 and 21) are each individual HIPUtah Enrollees. Will I be applying for a family plan that covers all of us? Do my adult children need to be my "dependents" and/or need to live at home, to be covered dependents? Or will we all have to apply for individual policies like we currently have with HIPUtah?**

A: Our understanding at this time is that you will have the opportunity to apply either individually or as a family. To apply as a family, your children need not be dependents. Your income calculation – and any corresponding subsidies – will be based on how you file your tax returns.

**Q7: Will Health Savings Account (HSA) - qualified plans be offered in the new Marketplace?**

A: It is anticipated that HSA-qualified plans will be offered by some carriers in the new Marketplace. Where these plans are offered and how they are structured will not be known until we get closer to the start of the open enrollment period on October 1, 2013. The private individual insurance market outside of the Marketplace is expected to continue to offer HSA-qualified plans.